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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/871,341	05/31/2001	Tim K. Keyes	RD-28408	9578

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EXAMINER

GRAHAM, CLEMENT B

ART UNIT	PAPER NUMBER
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3628

DATE MAILED: 09/26/2005

Please find below and/or attached an Office communication concerning this application or proceeding.

Office Action Summary

Application No.

09/871,341

Applicant(s)

KEYES ET AL.

Examiner

Clement B. Graham

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-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 31 May 2001.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-56 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 1-56 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
 2. ☐ Certified copies of the priority documents have been received in Application No. _____.
 3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- 1) ☒ Notice of References Cited (PTO-892)
- 2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
- 3) ☒ Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08)
Paper No(s)/Mail Date 7/30/01.
- 4) ☐ Interview Summary (PTO-413)
Paper No(s)/Mail Date. _____.
- 5) ☐ Notice of Informal Patent Application (PTO-152)
- 6) ☐ Other: _____.

DETAILED ACTION

Claim Rejections - 35 USC § 103

1. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

2. Claims 1-56, are rejected under 35 U.S.C. 103(a) as being unpatentable over Tilton U.S. Patent 6, 654, 727 in view Baseman et al (Hereinafter Baseman 20020147666 A1).

As per claims 1-12, Tilton discloses a method for analyzing a deal that includes portfolios of distressed financial assets, using a network-based system including a server system coupled to a centralized database and at least one client system, said method comprising the steps of:

generating a cash flow data table from various data sources;

importing cash flow data from the data table into a cash flow model;

automatically segmenting cash flow data by potential asset disposition types

utilizing the cash flow model(see column 17 lines 45-67 and column 18 lines 1-67 and column 11 lines 45-67 and column 12 lines 1-17) applying disposition specific cash flow and expense timings and rolling up discounted projections to develop cash flow projections for the deal(Note abstract and see column 50 lines 18-65).

Tilton fail to explicitly teach performing sensitivity analysis using a Monte Carlo Simulation Model to provide different scenarios based on a variety of assumptions retrieved from the database and exporting cash flow projections into a pre-determined format to develop financially attractive bids for the deal that takes into account a variety of foreseeable risks.

However Baseman discloses shows a small example that uses Monte Carlo approach to calculate the inventory quantities that maximizes expected profit and the same model can be used with a large sample size to make Monte Carlo simulation results more accurate in practice. The example has ten products with different prices, costs and salvage values as well as different demand distributions. Optimal inventory

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quantities as well as profit associated with the demand sample shown in the table are calculated(see column 3 paragraph 044 and column 4 claim 12).

Therefore it would have been obvious to one of ordinary skill in the art at the time the invention was made to modify the teachings of Tilton to include performing sensitivity analysis using a Monte Carlo Simulation Model to provide different scenarios based on a variety of assumptions retrieved from the database and exporting cash flow projections into a pre-determined format to develop financially attractive bids for the deal that takes into account a variety of foreseeable risks taught by Baseman in order to enable firms to use existing financial asset portfolio management tools to manage their inventory.

As per claim 13-26, Tilton discloses a system for managing portfolio cash valuation, said system at least one server system; at least one client system configured to maintain accumulated assumptions and knowledge in a repository from prior to portfolio cash evaluation, apply consolidated analytical tools to evaluate portfolio of assets, and generate management reports (see column 33 lines 12-26) that analyze portfolio; and a network connecting said at least one client system to said server system. (see column 17 lines 45-67 and column 18 lines 1-67 and column 11 lines 45-67 and column 12 lines 1-17).

A per claims 27-33, Tilton discloses a computer program embodied on a computer readable medium to analyze portfolios of assets to improve a bidding process to acquire the portfolio of assets, said computer program comprising a code segment that:

database(see column 17 lines 45-67 and column 18 lines 1-67 and column 11 lines 45-67 and column 12 lines 1-17) and creates a directory structure to organize information into a centralized provides users access to a specific set of data stored in the centralized database to facilitate decision making in response to an inquiry. (see column 17 lines 45-67 and column 18 lines 1-67 and column 11 lines 45-67 and column 12 lines 1-17).

A per claims 34-43, Tilton discloses a computer program embodied on a computer readable medium for facilitating a bidding process, said computer program

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capable to be processed by a server system coupled to a centralized interactive database and at least one client system, said computer program comprising:

- a code segment that receives information(see column 17 lines 45-67 and column 18 lines 1-67 and column 11 lines 45-67 and column 12 lines 1-17)
- a code segment that enters the information into a centralized database;
- a code segment that stores the information into the centralized database and cross references the information against unique identifiers(see column 17 lines 45-67 and column 18 lines 1-67 and column 11 lines 45-67 and column 12 lines 1-17)
- a code segment that computes at least one of Internal Rate of Return of a Portfolio, Weighted Average Portfolio Life, Break Even Point of the Portfolio, Confidence Assessment of the Portfolio Investment, and the Portfolio Liquidation Profile; and
- a code segment that provides the information in response to an inquiry(see column 17 lines 45-67 and column 18 lines 1-67 and column 11 lines 45-67 and column 12 lines 1-17).

As per claims 44-50, Tilton discloses a centralized database comprising:

- data corresponding to at least one of Cash Flow Data, Assumptions Data, Potential Asset Disposition Type Data, Standardized Data, and Worksheets Code Modules Data;
- data corresponding to financial models and business process tools;
- data corresponding to best practices (see column 17 lines 45-67 and column 18 lines 1-67 and column 11 lines 45-67 and column 12 lines 1-17) and data corresponding valuation process and underwriting (see column 17 lines 45-67 and column 18 lines 1-67 and column 11 lines 45-67 and column 12 lines 1-17).

As per claims 51-56, Tilton discloses a method for analyzing a deal that includes portfolios of distressed financial assets, using a network-based system including a server system coupled to a centralized database and at least one client system, said method comprising the steps of:

- calculating each borrower's net present value within a portfolio by utilizing a borrower-level pricing process(see column 17 lines 45-67 and column 18 lines 1-67 and column 11 lines 45-67 and column 12 lines 1-17) borrower; and
- analyzing portfolio and sub-set of assets within the portfolio for each

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calculating pre-determined criteria for sub-set of assets for each borrower to determine influence of each borrower's individual price on the entire portfolio's price by utilizing influence metrics. (see column 17 lines 45-67 and column 18 lines 1-67 and column 11 lines 45-67 and column 12 lines 1-17).

Conclusion

3. The prior art of record and not relied upon is considered pertinent to applicants disclosure.

Mazonas et al (US Patent 6,012, 047) teaches reverse mortgage processing.

Atkins (US 4, 953, 085) teaches system for the operation of a financial account.

Atkins (US Patent 5,875, 437) teaches system for the operation and management of one or more financial accounts through the use of a digital communication and computation system for exchange, investment and borrowing.


4. Any inquiry concerning this communication or earlier communications from the examiner should be directed to Clement B Graham whose telephone number is 571-272-6795. The examiner can normally be reached on 7am to 5pm.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Hyung S. Sough can be reached on 571-272-6799. The fax phone numbers for the organization where this application or proceeding is assigned are 571-273-8300 for regular communications and 703-305-0040 for After Final communications.

Any inquiry of a general nature or relating to the status of this application or proceeding should be directed to the receptionist whose telephone number is 703-305-3900.

CG

September 10, 2005


FRANTZY POINVIL
PRIMARY EXAMINER
AK 3628